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#### Legislative Bulletin......April 17, 2007

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#### **Summary of the Bills Under Consideration Today**

**Total Number of New Government Programs:** 3

**Total Cost of Discretionary Authorizations**: \$48 million over five years.

**Effect on Revenue**: Increased by \$6.25 million over five years

**Total Change in Mandatory Spending:** Insignificant

**Total New State & Local Government Mandates:** 0

**Total New Private Sector Mandates: 2** 

Number of *Bills* Without Committee Reports: 7

Number of *Reported* Bills that Don't Cite Specific Clauses of Constitutional Authority: 1

### H.R. 886 —The Wild Sky Wilderness Act of 2007 (Larsen, D-WA)

<u>Order of Business:</u> The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary:</u> H.R. 886 would designate 106,000 acres in the state of Washington as the Wild Sky Wilderness, which would be added to the National Wilderness Preservation System.

The bill would direct the Secretary of Agriculture to create a system of *hiking trails* in the Wild Sky Wilderness. H.R. 886 authorizes the use of a helicopter to construct and maintain a telecommunication repeater site to improve safety, health and emergency services in the area. H.R. 886 authorizes the Secretary to acquire land within the Wild Sky Wilderness are by means of purchase, donation or exchange with preference given to lands identified on a map as "priority acquisition lands."

The legislation would require the Secretary of Agriculture to accept lands within the Snoqualmie National Forest from the Chelan County Public Utility in return for a permanent easement and helicopter access to maintain an existing telemetry site to monitor snow pack.

Additional Information: According to a letter including dissenting views on H.R. 886, some of the land designated as wilderness by H.R. 886 is not suitable. The letter states, "In 2003, however, the U.S. Forest Service testified that 90,000 acres of the proposed area would be appropriate for wilderness. It also concluded that 16,000 acres were not well-suited for wilderness because it included previously harvested and roaded areas, private land (some with patented mining claims that would be acquired by the Forest Service under HR 866), and vital roads."

The letter goes on to say, "The Committee at that time had also seen a copy of a petition against Wild Sky with close to 2,000 signatures from people living in the affected communities. Due to the restrictions of designated wilderness there are wildfire, land slide, and flood protection measures that would no longer be available to at-risk communities."

To learn more about the National Wilderness Preservation System, please view this site: www.wilderness.net.

<u>Possible Conservative Concerns</u>: Some conservatives might be concerned that wilderness designations restrict the use of private property.

<u>Committee:</u> H.R. 886 was introduced on February 7, 2007, and was referred to the Committee on Natural Resources, which held a mark-up and reported the bill by voice vote on March 7, 2007.

<u>Cost to Taxpayers:</u> According to CBO enacting H.R. 886 would authorize \$7 million in FY 2008, and \$19 million over five years.

**Does the Bill Expand the Size and Scope of Government?** No.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u> No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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### H.Res. 217 — Expressing the sense of the House of Representatives concerning the 50th anniversary of Celilo Falls (Wu, D-OR)

<u>Order of Business:</u> The resolution scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the resolution.

**Summary**: H.Res. 217 would resolve that "the House of Representatives recognizes the 50th anniversary of the flooding of Celilo Falls and the change of life it imposed upon tribal peoples."

<u>Additional Information:</u> According to the bill, Celilo Falls, along the Columbia River between Oregon and Washington, was a historic fishing and trading hub for a variety of Indian tribes in the region. In 1957, the Dalles Damn was constructed to provide electricity and irrigation to the area. After the damn was built, the Celilo Falls basin flooded, changing the landscape of the valley.

<u>Committee Action</u>: H.Res. 217 was introduced on March 6, 2007, and referred to the House Committee on Natural Resources, and then referred to the Subcommittee on Water and Power, which took no official action.

<u>Cost to Taxpayers</u>: The resolution authorizes no expenditure.

**Does the Bill Expand the Size and Scope of Government?**: No.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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# H.R. 609 — To amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Central Texas Water Recycling and Reuse Project, and for other purposes (Edwards, D-TX)

<u>Order of Business:</u> The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 609 would amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to work with the city of Waco and other communities in the Central Texas Water Recycling and Reuse Project to create permanent facilities to "reclaim and recycle" water in McLennan County, Texas. The bill would limit the federal share of the costs to 25 percent, and would prohibit the Secretary from funding maintenance. The bill would terminate the Secretary's authority in 10 years.

<u>Additional Information</u>: According to Larry Groth, Waco city manager, "The city has a tremendous cost we are forced to carry with treatment. Representative Edwards' legislation gives us the option of avoiding some of that cost by taking the pressure off our treatment plant. This bill is a win-win because it is not only the right thing to do for the environment; it's good for businesses that buy the recycled water from us at a cheaper cost."

However, during the 109<sup>th</sup> Congress, Jack Garner (acting Deputy Commissioner and Deputy Director of Operations Bureau of Reclamation at the time) testified against identical legislation offered by Rep. Edwards. According to Garner, "The Department opposes authorizing additional construction projects prior to completion of feasibility studies to determine whether these particular projects warrant Federal funding. The city of Waco has developed conceptual plans for this project. However, Reclamation has not reviewed this proposal, nor conducted an appraisal study. The Department also opposes enactment of this legislation because authorizing new construction projects is likely to further burden on Reclamation's already strained budget."

(Source: <a href="http://edwards.house.gov/html/release.cfm?id=904">http://edwards.house.gov/html/release.cfm?id=904</a>;
<a href="http://www.usbr.gov/newsroom/testimony/detail.cfm?RecordID=347">http://www.usbr.gov/newsroom/testimony/detail.cfm?RecordID=347</a>)

<u>Committee Action</u>: H.R. 609 was introduced on January 22, 2007, and referred to the Committee on Natural Resources, which took no official action.

<u>Cost to Taxpayers</u>: A CBO estimate for H.R. 609 is not currently available. However, CBO estimated that a similar bill, H.R. 3418, introduced in the 109<sup>th</sup> Congress, would have authorized \$6 million over the 2007-2012 period.

<u>Does this Bill Expand the Size and Scope of Government</u>: The bill authorizes federal funds for a *local* water recycling project.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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H.R. 786 — To amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Los Angeles County Water Supply Augmentation Demonstration Project, and for other purposes (Sanchez, D-CA)

<u>Order of Business:</u> The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 786 would authorize the Secretary of Interior to participate in a water augmentation **demonstration project** in cooperation with the Los Angeles and San Gabriel Rivers Watershed Council. The project's aim would be to:

- "demonstrate the potential for infiltration of stormwater runoff to recharge groundwater by retrofitting sites in the Los Angeles area with features designed to reflect state-of-the-art best management practices for water conservation, pollution reduction and treatment, and habitat restoration; and
- "assess the potential new water supply yield based on increased infiltration and the value of the new water."

The bill provides that the federal share of the project costs could not exceed 25 percent of the total cost of the project. The bill also includes a sunset provision, terminating authority of the Secretary ten years after the date of enactment.

<u>Additional Information</u>: According to the Los Angeles and San Gabriel Rivers Watershed, the Los Angeles basin imports two-thirds of its water supply from outside sources that are becoming more and more restricted. The augmentation project seeks to

measure the feasibility of using stormwater runoff to replace and recharge groundwater reservoirs.

(Source: http://www.lasgrwc.org/WAS.htm)

<u>Possible Conservative Concerns</u>: Some conservatives may be concerned that this legislation creates a new demonstration project, and does not include a CBO score to determine the likely cost to the taxpayers.

<u>Committee Action</u>: H.R. 786 was introduced on January 22, 2007, and referred to the Committee on Natural Resources, which took no official action.

<u>Cost to Taxpayers</u>: A CBO score was not available at press time.

**<u>Does this Bill Expand the Size and Scope of Government</u>**: The bill authorizes federal funds for a *local* water augmentation demonstration project.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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H.R. 309 — To direct the Secretary of the Interior to establish a demonstration program to facilitate landscape restoration programs within certain units of the National Park System established by law to preserve and interpret resources associated with American history, and for other purposes (Pearce, R-NM)

<u>Order of Business:</u> The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 309 would direct the Secretary of the Interior to **authorize a demonstration program** in 24 National Park System parks. Receipts from timber sales in those units would be retained for an approved restoration plan within the park.

The legislation would permit each of the 24 existing National Battlefields, National Battlefield Parks, and National Battlefield Sites to participate, as long as they have a general management plan, cultural landscape plan, or another resource management plan that is approved by the National Environmental Policy Act of 1969.

Each park selected to participate in the program will retain receipts from the sale of any timber and only use the receipt for landscape restoration, imperative services, eradication of disease, insects or invasive species, and fuel load reduction.

H.R. 309 would also direct the Secretary to submit a report a specific timeline for timber removal in all participating units. The authority granted to the Secretary would expire in four years.

<u>Additional Information</u>: To learn more about the National Park System please view this site: http://www.nps.gov/.

<u>Committee Action</u>: H.R. 309 was introduced on January 5, 2007, and referred to the Committee on Natural Resources. On February 7, 2007, it was referred to the Subcommittee on National Parks, Forests, and Public Lands, where it was discharged on March 7, 2007. The same day, the bill was marked-up in the Committee on Natural Resources and reported to the House by a voice vote.

<u>Cost to Taxpayers</u>: According to the CBO, H.R. 309 would "increase direct spending by negligible amounts," likely less than \$20,000 in FY 2008, and \$100,000 over the FY 2008-2012 period.

<u>Does this Bill Expand the Size and Scope of Government</u>: The bill creates a new demonstration program through the Nation Park System.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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### H.R. 815 — To provide for the conveyance of certain land in Clark County, Nevada, for use by the Nevada National Guard (Porter R-NV)

<u>Order of Business:</u> The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

**Summary**: H.R. 815 would allow the conveyance of 35 to 50 acres of land from Clark County, Nevada, to the Division of State Lands, to be used by the Nevada National Guard.

<u>Additional Information</u>: According to a Committee Report for H.R. 4382, a similar bill introduced in the 109<sup>th</sup> Congress, the state of Nevada would like to build a National Guard facility (the Southern Nevada Readiness Center), possibly for the new Weapons of Mass Destruction Civil Support Team, and need roughly 35 to 50 acres to do so. This legislation would allow the conveyance of the land for free. H.R. 4382 passed the House in the 109<sup>th</sup> Congress by voice vote on September 26, 2006.

<u>Committee Action</u>: H.R. 815 was introduced on February 5, 2007, and referred to the House Committee on Natural Resources. On March 5, 2007, the resolution was referred to the Subcommittee on National Parks, Forests, and Public Lands, which took no further action.

<u>Cost to Taxpayers</u>: A CBO score for H.R. 815 is not available. However, a CBO estimate for H.R. 4382, a similar bill introduced in the 109<sup>th</sup> Congress, concluded that implementation of the bill would have no significant effect the federal budget.

**Does the Bill Expand the Size and Scope of Government?**: No.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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### H.R. 865 — Copper Valley Native Allotment Resolution Act of 2007 (Young, R-AK)

<u>Order of Business</u>: The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

**Summary**: H.R. 865 would grant the Copper Valley Electric Association rights-of-way for electric transmission lines across 14 specific Alaskan Native land allotments. The legislation would not apply to any prior or current right-of-way agreements between Ahtna Inc. and the Cooper Valley Electric Association.

The bill would direct the Secretary of Interior to appraise the value of the rights-of-way and to compensate any owner of an Alaska Native allotment accordingly. H.R. 865 would authorize the appropriation of "such sums" to carry out this Act.

<u>Additional Information</u>: The Copper Valley Electric Association is a rural nonprofit electric cooperative serving about 4,000 customers in Alaska's Copper Valley Basin.

Copper Valley has received rights-of-way to construct and maintain electric lines in the area since 1958. Some of the rights-of-way intersect with Alaska Native land allotments that have been titled to Native Alaskans under the management of the BIA. Due to complicated land claims, some of the allotment owners have disputed the validity of the Copper Valley Electric Associations' rights-of-way. A 2006 GAO report on the subject identifies 14 cases in which allotment owners assert that Copper Valley's electrical lines unlawfully trespass on their property.

According to the sponsor's office, H.R. 865 is modeled after a legislative alternative proposed in the GAO report to amicably settle the dispute.

<u>Committee Action</u>: H.R. 865 was introduced on February 6, 2007, and referred to the Committee on Natural Resources, which held a mark-up and reported the bill by voice vote on March 7, 2007.

<u>Cost to Taxpayers</u>: CBO estimates that implementing H.R. 865 "would increase Bureau of Land Managements administrative costs by less than \$500,000. In addition, CBO estimates that compensation paid to land holders could increase direct spending by \$150,000."

**Does the Bill Expand the Size and Scope of Government?** No.

<u>Sector Mandates?</u> According to CBO, H.R. 865 would impose a private-sector mandate on certain owners of Native allotments in Alaska.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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#### H.R. 1677—Taxpayer Protection Act (Rangel, D-NY)

<u>Order of Business</u>: The bill is scheduled to be considered on Tuesday, April 17<sup>th</sup>, under a motion to suspend the rules and pass the bill.

<u>NOTE</u>: This bill has been amended since committee consideration in order to add a revenue increase to avoid a theoretical PAYGO violation (technically a bill moving under suspension of the rules is not subject to a PAYGO point of order). The summary below reflects the amended version.

**Summary (as amended)**: H.R. 1677 would adjust a variety of tax laws, as follows:

- Family Business Tax Simplification. (Note: This provision has passed the House twice this year already, as part of H.R. 976 and H.R. 1591.) This provision would allow a qualified joint venture whose only members are a husband and wife filing a joint return to not be treated as a partnership for tax purposes (as they currently are required to do). A qualified joint venture is a joint venture involving the conduct of a trade or business, if the only members of the joint venture are a husband and wife, both spouses materially participate in the trade or business, and both spouses elect to have the provision apply. Income, gains, losses, deductions, and credits would be divided between the spouses according to their respective venture interests. Each spouse would then account for his or her share on the appropriate form. Negligible savings to taxpayers.
- Notification of Suspected Identity Theft. This provision would direct the Secretary of the Treasury, if (in the course of an investigation relating to tax fraud, false statements, fraudulent tax returns, or other fraudulent tax-related documents) he believes that there may have been unauthorized use of the identity of a taxpayer or his dependents, to notify the taxpayer ("as soon as practicable and without jeopardizing such investigation"). The Secretary would also have to notify the taxpayer of any criminal charge that was the result of the investigation. In current law, information gathered by the IRS in connection with a tax-fraud investigation is subject to confidentiality restrictions. No revenue effect.
- ➤ <u>Return of Wrongly Seized Property</u>. This provision would extend, from nine months to two years, the period for:
  - --the IRS to return money and the proceeds from the sale of property that has been wrongfully levied; and
  - --the wronged taxpayer to bring a civil action for wrongful levy. **Negligible savings to taxpayers.**
- Wrongful Levy on Individual Retirement Accounts. This provision would allow an individual to recontribute to an Individual Retirement Account the amounts withdrawn pursuant to a wrongful or premature IRS levy and returned by the IRS (plus interest) within 60 days of receipt by the individual, regardless of the current-law limits on IRA contributions and rollovers. Interest paid under this provision would be excludable from gross income for tax purposes, once deposited in an IRA, and the returned amounts would not yield any new income tax (if deposited in an IRA). Negligible savings to taxpayers.
- > IRS Unclaimed Refunds. This provision would allow the IRS to use any means of "mass communication," to notify taxpayers of undelivered refunds. In current law, when the IRS is unable to find a taxpayer due a tax refund, the IRS can use "the press or other media" to notify the taxpayer of the refund. The IRS has interpreted this definition to exclude the Internet. H.R. 1677 would clarify that use of the Internet's permissible for such notification. No revenue effect.
- > <u>IRS Debt Indicators for Predatory Loans</u>. This provision would prohibit the Secretary of the Treasury from providing a debt indicator to any person with

respect to any refund anticipation loan when the Secretary determines that the business practices of such person involve refund anticipation loans and related charges and fees that are "predatory" (not defined in the bill). In other words, this provision would seek to make it harder for so-called predatory lenders to reduce their risk in making refund anticipation loans. A "debt indicator" is defined in the bill as a notification provided to a tax practitioner or financial institution that a taxpayer's refund will be offset to repay debts for delinquent federal or state taxes, student loans, child support, or other federal agency debt. A "refund anticipation loan" is defined in the bill as a "loan of money or any other thing of value to a taxpayer secured by the taxpayer's anticipated receipt of a federal tax refund." No revenue effect.

- Misuse of Treasury Names and Symbols. This provision would clarify that any electronic mass communication (including "phishing," misleading domain names, etc.) that could reasonably be interpreted as falsely conveying a connection to, or approval by, the Treasury Department (or any of its parts), are subject to the current-law civil penalty of \$25,000 per violation and criminal penalty of \$50,000 per violation, presently applicable to broadcasts and telecasts. The provision would also clarify that the use of the words, abbreviations, titles, letters, symbols, or emblems associated with the Department of the Treasury (or any of its parts) in an Internet domain name is covered by the current-law prohibition against such misuse in general. (Disclaimers that the private entity is not affiliated with the IRS do not relieve such entities from liability under this provision.) No revenue effect.
- Earned Income Tax Credit Notification. This provision would direct the IRS to expand its annual notice requirements relating to potential eligibility for the Earned Income Tax Credit (EITC)—and its possible refundability—to all potentially eligible taxpayers ("to the extend possible"), regardless of whether they have filed a tax return for the applicable tax year, and as long as time limitation for claiming the credit has not expired (three years from the time the relevant tax return was filed, two years from the time the related tax was paid, or, if no tax return was filed by the taxpayer, then two years after the tax was paid). Such notices would have to be in writing and mailed to the taxpayer's last known address. Less than \$500,000 of savings to taxpayers a year.

In current law, low-income taxpayers can be eligible for the refundable EITC, based primarily on the number of children in the taxpayer's family, adjusted gross income, and earned income. The EITC generally equals a specified percentage of earned income up to a maximum dollar amount (over a certain income range and diminishing to zero over a specified phase-out range). For more on the EITC, go to this webpage: <a href="http://www.irs.gov/individuals/article/0,.id=96456,00.html">http://www.irs.gov/individuals/article/0,.id=96456,00.html</a>.

➤ Real Estate Dispositions. This provision would amend reporting requirements on dispositions of U.S. real estate. The Joint Committee on Taxation (JCT) reports that when foreign citizens sell their holdings of U.S. real estate, they are subject to

income tax withholding under the Foreign Investment in Real Property Tax Act of 1980 (FIRPTA). To avoid such withholding (by the buyer for remittance to the U.S. Treasury), the seller has to prove that he or she is a U.S. citizen (i.e. file a "nonforeign affidavit"). H.R. 1677 would give sellers the option to furnish this affidavit of U.S. citizenship to an intermediary (a "qualified substitute"), such as an attorney or title company. The intermediary would have to inform the buyer if the affidavit is known to be false (and would be liable for any required withholding if such notice is not given to the buyer). JCT estimates that this provision would "reduce compliance with the tax laws." Estimated revenue loss of less than \$500,000 in FY2007, \$7 million over the FY2007-FY2012 period, and \$17 million over the FY2007-FY2017 period.

- Prisoners' Fraudulent Returns. This provision would authorize the IRS, from January 1, 2008 through December 31, 2010, to disclose an individual's tax return (or any information from it) to the Federal Bureau of Prisons, if the IRS believes that an incarcerated individual may have filed (or facilitated the filing of) a fraudulent tax return—and only for purposes of, and to the extent necessary, in taking administrative actions to address possible violations of prison rules (and/or to prevent the filing of fraudulent returns). The Bureau could not disclose such information to anyone outside the Bureau. Estimated revenue increase of \$1 million over the FY2009-FY2011 period, with no revenue impact after FY2011.
- Penalty Increase for Bad Checks and Money Orders. This provision would increase revenue by increasing the fee on sending checks and money orders to the IRS that are "not duly paid." Currently, the fee for providing a bad check or money order to the IRS is 2% of the amount of such check, except that if the amount of such check is less than \$750, the penalty is \$15 or the amount of such check, whichever is the lesser. This provision of H.R. 1677 would raise the threshold for the lesser fee from \$750 to \$1,250 and would raise the \$15 figure to \$25. Estimated revenue increase of \$2 million in FY2007, \$5 million over the FY2007-FY2011 period, and \$6 million over the FY2007-FY2016 period.

**RSC Bonus Fact**: According to the National Center for Policy Analysis and the Tax Foundation, the combination of EITC and the child tax credit offsets 100% of the income tax liability for almost all families with incomes below \$30,000. Because of refundability, 100% of the payroll tax is also offset for those with incomes below \$20,000. Those with earnings below \$10,000 pay no income taxes and get a check from the government for 2.6 times their payroll tax liability. http://www.ncpa.org/edo/bb/2003/bb061603.html.

<u>Committee Action</u>: On March 26, 2007, the bill was referred to the Ways & Means Committee, which, on March 28<sup>th</sup>, marked it up and ordered it reported to the full House by voice vote.

<u>Possible Conservative Concerns</u>: Some conservatives may be concerned at the bill's expansion of the IRS' outreach effort on the Earned Income Tax Credit. In the past,

conservatives have expressed concerns about the notion of IRS as tax advisor and about the EITC itself (because of its refundability and its ability to turn taxpayers into benefit recipients). Additionally, some conservatives may be concerned about the private-sector mandate on Internet domain names (see below).

<u>Cost to Taxpayers</u>: CBO and the Joint Committee on Taxation estimate that this legislation would increase revenues by less than \$2 million in FY2007, by \$1 million in FY2008, by about \$5 million over the FY2007-FY2011 period, by \$6 million over the FY2007-FY2012 period, and by \$6 million over the FY2007-FY2017 period.

Additionally, CBO estimates that H.R. 1677 would authorize \$3 million in FY2008, \$13 million over the FY2008-FY2012 period, and \$23 million over the FY2008-FY2017 period.

**Does the Bill Expand the Size and Scope of the Federal Government?**: No.

**Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?**: Yes, there is one private-sector mandate: the prohibition from anyone using words, abbreviations, titles, or letters associated with the Treasury Department (or its components) as a part of an Internet domain address in a manner which could be "reasonably" interpreted as conveying the false impression that the domain address is connected to, or authorized by, the Department (regardless of whether it features a disclaimer that the private entity is not affiliated with the IRS).

CBO notes that, "The costs of the mandate would be the expenditures incurred to bring the Internet domain address into compliance added to any loss of net income associated with those changes."

Does the Bill Comply with House Rules Regarding Earmarks/Limited Tax

Benefits/Limited Tariff Benefits?: The earmarks/limited tax benefits rule (House Rule XXI, Clause 9(a)) does not apply, by definition, to legislation considered under suspension of the rules. However, the Ways & Means Committee, in House Report 110-84, offers this statement: "Pursuant to clause 9 of rule XXI of the Rules of the House of Representatives, the Ways and Means Committee has determined that the bill as reported contains no congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of that Rule."

<u>Constitutional Authority</u>: The Ways & Means Committee, in House Report 110-84, cites constitutional authority in Article I, Section 8, Clause 1 ("The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises…") and the 16th Amendment (the congressional power to tax incomes).

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### H. Res. 196 – Supporting the goals and ideals of World Water Day (Blumenauer, D-OR)

<u>Order of Business</u>: The resolution is scheduled to be considered on Tuesday, April 17, under a motion to suspend the rules and pass the resolution.

**Summary**: H.Res. 196 resolves that the House of Representatives:

- "supports the goals and ideals of World Water Day;
- "encourages the people of the United States to observe World Water Day with appropriate recognition, ceremonies, activities, and programs to demonstrate the importance of water and water conservation to humanity;
- "urges an increased effort and the investment of greater resources by the
  Department of State, the United States Agency for International Development,
  and all relevant Federal departments and agencies towards providing sustainable
  and equitable access to safe drinking water and sanitation for the poor and very
  poor; and
- "recognizes the importance of conserving and managing water resources for sustainable development, including environmental integrity and the eradication of poverty and hunger, and human health and overall quality of life in the United States and across the globe."

Additional Information: According to the resolution, "increasing access to safe drinking water and sanitation advances efforts towards other United States development objectives including fighting poverty and hunger, promoting primary education and gender equality, reducing child mortality, promoting environmental stability, improving the lives of slum dwellers, and strengthening national security." H.Res. 196 also states that "climate change will increasingly pose a challenge for ensuring the availability of sufficient water supplies at the appropriate times," and "freshwater resources are further impaired by various forms of industrial, chemical, human, and agricultural pollution" (emphasis added).

According to the UN Department of Economic and Social Affairs, "Agenda 21 is a comprehensive plan of action to be taken globally, nationally and locally by organizations of the United Nations System, Governments, and Major Groups in every area in which human impacts on the environment." World Water Day stems from Agenda 21's Chapter 18, which pertains to fresh water resources. The day is a UN designated observance that encourages governments to turn UN suggestions into law. One of the assertions of Chapter 18 is that, "[i]n developing and using water resources, priority has to be given to the satisfaction of basic needs and the safeguarding of ecosystems. Beyond these requirements, however, water users should be charged appropriately." Chapter 18 encourages centralized planning of water distribution on a national level and a "from each according to his ability, to each according to his need" sharing of water resources on a global level.

<u>Committee Action</u>: On February 27, 2007, the bill was referred to the House Committee on Foreign Affairs. The committee considered it and reported it to the House by unanimous consent on March 27, 2007.

<u>Cost to Taxpayers</u>: The resolution would authorize no expenditure.

**Does the Bill Expand the Size and Scope of the Federal Government?**: No.

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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## H.Con.Res. 100 — Condemning the recent violent actions of the Government of Zimbabwe against peaceful opposition party activists and members of civil society (*Lantos*, *D-CA*)

<u>Order of Business:</u> The resolution is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the resolution.

**Summary**: H.Con.Res. 100 expresses the sense of Congress that:

- "the state-sponsored violence taking place in Zimbabwe represents a serious violation of fundamental human rights and the rule of law and should be condemned by all responsible governments, civic organizations, religious leaders, and international bodies; and
- "the government of Zimbabwe has not lived up to its commitments as a signatory to the Constitutive Act of the African Union and African Charter of Human and Peoples Rights."

#### H.Con.Res. 100 condemns:

- "the government of Zimbabwe's violent suppression of political and human rights;
- "the harassment and intimidation of lawyers attempting to carry out their professional obligations to their clients and repeated failure by police to comply with court decisions; and
- "the harassment of foreign officials, journalists, human rights workers, and others."

H.Con.Res. 100 commends:

• "U.S. Ambassador Christopher Dell and other U.S. officials and foreign officials for their support to political detainees and victims of torture and abuse while in police custody or in medical care centers."

H.Con.Res. 100 calls on the government of Zimbabwe to end:

- "its violent campaign against fundamental human rights, respect the courts and members of the legal profession, and restore the rule of law;
- "illegitimate interference in travel abroad by its citizens, especially for humanitarian purposes; and
- "leaders of the Southern Africa Development Community (SADC) and the African Union (AU) to consult with all Zimbabwe stakeholders to intervene with the government of Zimbabwe while applying appropriate pressures to resolve the economic and political crisis."

Additional Information: According to H.Res. 100, Zimbabwe's president, Robert Mugabe, and the ZANU-PF government have assaulted peaceful protesters, ruthlessly and violently attacked political opponents, systematically driven over 700,000 Zimbabweans from their homes and businesses, and denied legal representation or medical attention to victims of political oppression and government assault.

The 83 year-old Mugabe became prime minister shortly after Zimbabwe gained independents in 1980 and declared himself president in 1987. Inflation in Zimbabwe is currently over 1,700% and unemployment stands at 80%.

<u>Committee Action</u>: H.Res. 100 was introduced on March 26, 2007, and referred to the Committee on Foreign Affairs. On March 27, 2007, a mark-up was held and the resolution was agreed by voice vote.

<u>Cost to Taxpayers</u>: H.Res. 100 authorizes no expenditure.

**Does the Bill Expand the Size and Scope of Government?**: No.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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#### H.R. 1681 — American National Red Cross Governance Modernization Act of 2007 (Hastings, R-WA)

<u>Order of Business</u>: The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 1681 would significantly amend the congressional charter for the American National Red Cross, largely based upon recommendations from an independent review and analysis of the role of the Red Cross' Board of Governors, and an October 2006 report of the Board of Governors entitled "<u>American Red Cross Governance for the 21<sup>st</sup> Century.</u>" Specific provisions of the bill are summarized below.

- Expresses the following sense of Congress: "It is in the national interest to clarify the role of the Board of Governors as a governance and strategic oversight board and for The American National Red Cross to amend its bylaws, consistent with the recommendations described in the Governance Report, to clarify the role of the Board of Governors and to outline the areas of its responsibility, including:
  - o "reviewing and approving the mission statement for The American National Red Cross;
  - o "approving and overseeing the corporation's strategic plan and maintaining strategic oversight of operational matters;
  - o "selecting, evaluating, and determining the level of compensation of the corporation's chief executive officer;
  - o "evaluating the performance and establishing the compensation of the senior leadership team and providing for management succession;
  - o "overseeing the financial reporting and audit process, internal controls, and legal compliance;
  - o "holding management accountable for performance;
  - o "providing oversight of the financial stability of the corporation;
  - o "ensuring the inclusiveness and diversity of the corporation;
  - o "ensuring the chapters of the corporation are geographically and regionally diverse;
  - o "providing oversight of the protection of the brand of the corporation; and
  - o "assisting with fundraising on behalf of the corporation."
- Outlines a new method of selecting members of the Board of Governors, requiring that all board members (except the Chairman) be nominated by a single committee of the board of governors, taking into account the criteria outlines in the Governance Report to assure the expertise, skills, and experience of a governing board.
- Expresses the sense of Congress that "the effectiveness of the American National Red Cross will be promoted by the creation of an organizational ombudsman who:
  - "will be a neutral or impartial dispute resolution practitioner whose major function will be to provide confidential and informal assistance to the many internal and external stakeholders of The American National Red Cross:

- o "will report to the chief executive officer and the audit committee of the Board of Governors; and
- "will have access to anyone and any documents in The American National Red Cross."
- Expresses this sense of Congress regarding the Red Cross: "while The American National Red Cross is and will remain a Federally chartered instrumentality of the United States, and it has the rights and obligations consistent with that status, The American National Red Cross nevertheless should maintain appropriate communications and collaborations with local, community, and faith-based nonprofit organizations, including those organizations that work within minority communities."
- Amends current law regarding the operation of the Board of Governors, including reducing the size of the board from 50 members to between 12 and 25 by March 31, 2009, and to between 12 and 20 by March 31, 2012. Provides that members of the Board will serve three year terms except in certain circumstances.
- Establishes an advisory council to the Board of Governors, which would be composed of between eight to ten members, who would be appointed by the President from principal officers of the executive departments and senior officers of the Armed Forces whose positions and interests qualify them to contribute to carrying out the programs and purposes of the Red Cross.
- Authorizes the Comptroller General to review Red Cross' involvement in any federal program or activity that the government carries out under law.
- Directs the Red Cross to establish an Office of the Ombudsman with duties and responsibilities as may be provided for in the Red Cross' bylaws or a resolution of the Board of Governors.
- Directs the Office to submit an annual report to Congress regarding any trends and systemic matters that the Office has identified as "confronting" the Red Cross.

<u>Committee Action</u>: The bill was introduced on March 26, 2007, and referred to the House Committee on Foreign Affairs, which considered it, held a mark-up, and reported the bill, as amended, by voice vote on March 27, 2007.

<u>Cost to Taxpayers</u>: According to CBO, enacting H.R. 1681 would have no significant impact on the budget.

**Does the Bill Expand the Size and Scope of the Federal Government?**: No.

<u>Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: The Committee Report cites constitutional authority in Article 1, Clause 8 of the Constitution, but fails to cite a specific clause. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" [emphasis added].

### H.Res. 293 — Supporting the goals and ideals highlighted through National Volunteer Week (Shea-Porter, D-NH)

<u>Order of Business:</u> The resolution is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the resolution.

**Summary**: H.Res. 293 would resolve that the House:

- "supports the goals and ideals highlighted through National Volunteer Week;
- "acknowledges the diligent efforts of our major federally funded community service and volunteer programs;
- "recognizes with gratitude the contributions of the millions of dedicated and caring individuals who have chosen to serve others through volunteerism; and
- "encourages all American people, of any age and background, to seek out opportunities to serve through volunteerism."

Additional Information: According to the resolution, National Volunteer Week was inaugurated by President Nixon in 1974. An Executive Order established a week as a celebration of volunteering, and since that time, every President has signed a proclamation encouraging the event. National Volunteer Week will be observed this year from April 15 through April 21, 2007. Over 61.2 million individuals volunteered with a charitable organization between September 2005 and September 2006.

<u>Committee Action</u>: H.Res. 293 was introduced on March 29, 2007 and referred to the House Committee on Education and Labor, which took no official action.

<u>Cost to Taxpayers</u>: H.Res. 293 would authorize no expenditure.

**Does the Bill Expand the Size and Scope of Government?**: No.

<u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: A committee report citing constitutional authority is not available. However, House Rule XIII, Section 3(d)(1), requires that all committee reports contain "a statement citing the *specific* powers granted to Congress in the Constitution to enact the law proposed by the bill or joint resolution" *[emphasis added]*.

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H.R. 1515 — To amend the Housing and Community Development Act of 1974 to treat certain communities as metropolitan cities for purposes of the community development block grant program (*Costello, D-IL*)

<u>Order of Business:</u> The bill is scheduled for consideration on Tuesday, April 17, 2007, under a motion to suspend the rules and pass the bill.

<u>Summary</u>: H.R. 1515 would amend the Housing and Community Development Act of 1974 to include the cities of Alton and Granite City, Illinois as metropolitan cities for the purposes of receiving benefits under this program.

Additional Information: For the purposes of the Housing and Community Development Act a "metropolitan city" is defined in current law as, "a city within a metropolitan area which is the central city of such area, as defined and used by the Office of Management and Budget," or "any other city, within a metropolitan area, which has a population of fifty thousands or more." Alton and Granite City do not meet this population requirement and are, therefore, ineligible for the community development block grant program. H.R. 1515 would change the status of these cities to make them eligible for federal grants.

According to Committee Report 110-086, "Both Alton and Granite City were previously eligible under the Office of Management and Budget's 'central city' definition. However, in 2003 the Office of Management and Budget adopted new standards for the definition of Metropolitan Statistical Areas to reflect the 2000 Census data. As result, the Office of Management and Budget created the designation of 'principal cities' as communities with a minimum population of 50,000. Neither Alton nor Granite City meet this new population threshold."

<u>Possible Conservative Concerns</u>: Some conservatives may be concerned that H.R. 1515 would expand eligibility for the House and Community Development Block Grants to include two new cities, which do no meet the current definition of a "metropolitan" city.

<u>Committee Action</u>: H.R. 1515 was introduced on March 14, 2007, and referred to the Financial Services Committee, which held a mark-up on March 29, 2007, and order the bill reported by voice vote.

<u>Cost to Taxpayers</u>: According to CBO, "CBO expects this reclassification could cause the funding those cities receive to change by up to several hundred thousand dollars in any year, depending how Illinois decides to allocate its CDBG funding. As such, CBO estimates that implementing this bill would have no significant cost to the federal government over the next five years."

<u>Does the Bill Expand the Size and Scope of Government?</u>: H.R. 1515 would expand eligibility for the House and Community Development Block Grants.

### <u>Does the Bill Contain Any New State-Government, Local-Government or Private-Sector Mandates?</u>: No.

<u>Constitutional Authority</u>: The Committee Report cites constitutional authority in Article 1, Section 8, Clause 1 (general welfare) and Clause 3 (regulate interstate commerce).

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